

**GENERAL CONVENTION OF THE EPISCOPAL CHURCH 2018
ARCHIVES' RESEARCH REPORT**

RESOLUTION NO.: 2018-A102
TITLE: Create a Task Force on Budget Process
PROPOSER: Standing Commission on Structure, Governance, Constitution and Canons
TOPIC: Budget

Directly Related: (Attached)

2015-D013 Amend Canon 1.1.8 [General Convention Expense Budget]
2012-A122 Review Financial Oversight and Budgeting
2009-A005 Conduct an Analysis of the Church's Budgeting Process

Indirectly Related: (Available in the [Acts of Convention](#) database, searchable by resolution number)

None

Supplemental Documents: (Linked)

(Blue Book) Report to General Convention, [Standing Commission on Structure, Governance, Constitution and Canons](#), see pages 403-404.

In preparing this report, the Archives researched the resolutions in the Acts of Convention database for the period 1976 through 2015, selecting "direct" resolutions that have a substantive bearing on the proposed legislation. The "direct" resolutions are attached and "indirect" resolutions are available in the Acts of Convention database. Committee members who require other research assistance should contact the Archives at 800-525-9329 before Convention or at Convention in the General Convention Secretariat.

A102 Create a Task Force on Budget Process

Proposer	Standing Commission on Structure, Governance, Constitution and Canons
Topic	Budget
Endorsed by	
Sponsored by	
Page numbers	Blue Book: p. N/A; Constitution & Canons: p. N/A
HiA / Leg. Cttee	/
Current Status	Resolution Filed
Version	Original (as filed)
Review Status	Not yet reviewed

RESOLUTION TEXT

- 1 *Resolved*, the House of _____ concurring, That the 79th General Convention establish a Task Force to study and recreate the Budget process for the Church; that the membership of said Task Force be constituted of the Treasurer of the General Convention as an *ex-officio* non-voting member and three (3) bishops, five (5) clergy, and five (5) lay persons, at least four (4) of whom are current or past members of the Joint Standing Committee on Program, Budget and Finance, at least three (3) of whom are current or past members of the Joint Standing Committee on Finances for Mission of Executive Council and the Domestic and Foreign Missionary Society, and at least one (1) is a person highly knowledgeable and experienced in the structure and governance of the Church ; And be it further

- 2 *Resolved*, That the charge of said Task Force is to:
 1. Revise The Episcopal Church triennial Budget process in order to ensure transparency throughout the process, foster timely participation by the wider Church, assure General Convention’s central role in setting Budget priorities and items to be funded including those adopted by General Convention, and enable effective budgeting and management for staff and programs. The work of this revision should include making recommendations to the 80th General Convention for any needed changes to Constitution, Canons, and the Joint Rules of Order, or recommendations to the Executive Council for changes in the Executive Council By-Laws. Input into these recommendations should be sought from interim bodies, church center staff, Provinces, the Executive Council, the Joint Standing Committee on Program, Budget and Finance and the Chief Financial Officer of the Executive Council.
 2. Clarify responsibility and authority for oversight of the Budget between meetings of General Convention, including proper relationships between staff, Executive Council, the Joint Standing Committee of Program, Budget and Finance, officers and any others who may have some role in the implementation or revision of the Budget between General Conventions.

EXPLANATION

The current Budget Process does not make enough time available for input by the Church at large prior to General Convention convenes, or during General Convention to incorporate the needs and priorities of the Church as may be adopted by General Convention causing frustration, suspicion and disappointment of many deputies, bishops and other stakeholders. In addition, it is unclear who is responsible for budget oversight between General Conventions. The process and timing for development of the Budget needs to be revised to address these issues as well as to clarify who has responsibility for the implementation, amendment, and oversight of the Budget between General

Conventions.



Resolution Number: 2015-D013
Title: Amend Canon 1.1.8 [General Convention Expense Budget]Canon 1.1.11 [General Convention Budget]Canon 1.1.13(b) [General Convention Executive Office]Canon 1.2.6 [Presiding Bishop's Stipend]Canon I.4.6 [Budget for the Episcopal Church]Joint Rules 10(c) [Jt. Standing Committee on Program, Budget, Finance]
Legislative Action Taken: Concurred as Substituted and Amended
Final Text:

Resolved, That the 78th General Convention recognize the continuing evolution of the roles of the Presiding Bishop and the President of the House of Deputies; and be it further

Resolved, That this General Convention recognize that the life and work of The Episcopal Church is in a time of substantial transition and that the structures of the Church continue to evolve; and be it further

Resolved, That this General Convention recognize there are increased demands on the time and energy of the President of the House of Deputies; and be it further

Resolved, That this General Convention recognize that the President of the House of Deputies, among other current responsibilities, serves as the Vice-President of the Domestic and Foreign Missionary Society, as the Vice-Chair of the Executive Council, and makes and participates in numerous appointments to positions in The Episcopal Church; and be it further

Resolved, That this General Convention recognize that at the present time, the House of Deputies is of the view that only persons who are retired or who have substantial economic resources are financially able to serve as President of the House of Deputies; and be it further

Resolved, That this General Convention recognize that the House of Deputies considers it important that the House of Deputies be able to choose a President without regard to the financial circumstances of the candidates for the President of the House of Deputies; and be it further

Resolved, That this General Convention recognize that the House of Deputies has affirmed that the desirability of compensation for the President of the House of Deputies is a fairness issue; and be it further

Resolved, That this General Convention determine that it is important for The Episcopal Church to explore fully and openly the issues of leadership, including compensation for the President of the House of Deputies; and be it further

Resolved, That this General Convention recognize that the House of Bishops understands and appreciates the cogency of, and fairness issues inherent in, the position of the House of Deputies; and be it further

Resolved, That this General Convention direct that the Presiding Bishop and the President of the House of Deputies jointly appoint a task force to consider these issues of leadership and compensation and that this task force report its recommendations to the 79th General Convention, including such canonical or other steps needed to implement the recommendations of the task force.

Resolved, That Title I, Canon 4, Sections 6-8, be stricken in their entirety and replaced to read as follows:

Sec. 6. (a) The Executive Council shall submit to the Joint Standing Committee on Program, Budget, and Finance the proposed Budget for The Episcopal Church for the ensuing

budgetary period, which budgetary period shall be equal to the interval between regular meetings of the General Convention. The proposed Budget shall be submitted not less than four months before the ensuing General Convention is convened.

(b) Revenue to support the Budget for The Episcopal Church shall be generated primarily by a single assessment of the Dioceses of the Church based on a formula which the General Convention shall adopt as part of its Budget process. If in any year the total anticipated income for Budget support is less than the amount required to support the Budget approved by the General Convention, the canonical portion of the Budget for The Episcopal Church shall have funding priority over any other budget areas subject to any decreases necessary to maintain a balanced Budget.

(c) After the preparation of the Budget, the Treasurer shall, at least four months before the sessions of the General Convention, transmit to the Bishop of each Diocese and to the President of each Province a statement of the existing and the proposed assessment necessary to support the Budget for The Episcopal Church. The Joint Standing Committee on Program, Budget, and Finance shall also submit to the General Convention, with the Budget, a plan for the assessments of the respective Dioceses of the sum needed to execute the Budget.

(d) There shall be joint sessions of the two Houses for the presentation of the Budget for The Episcopal Church; and thereafter consideration shall be given and appropriate action taken thereon by the General Convention.

(e) Upon the adoption by the General Convention of a Budget for The Episcopal Church and the planned assessments for the budgetary period, the Council shall formally advise each Diocese of its share of the total assessments to support the Budget for The Episcopal Church.

(f) Full payment of the diocesan assessment shall be required of all Dioceses, effective January 1, 2019.

(g) Effective January 1, 2016 Council shall have the power to grant waivers from the full annual assessments of Dioceses within the limit established by the General Convention. Any diocese may appeal to Executive Council for a waiver of the assessment, in full or in part, on the basis of financial hardship, a stated plan for working toward full payment, or other reasons as agreed with the Executive Council. Effective January 1, 2019, failure to make full payment or to receive a waiver shall render the diocese ineligible to receive grants or loans from the Domestic and Foreign Missionary Society unless approved by Executive Council.

(h) The Council shall have the power to expend all sums of money covered by the Budget and estimated Budgets approved by the General Convention, subject to such restrictions as may be imposed by the General Convention, including but not limited to the priority declaration set forth in Section 6(c) of this Canon. It shall also have power to undertake such other work provided for in the Budget approved by the General Convention, or other work under the jurisdiction of the Council, the need for which may have arisen after the action of the General Convention, as in the judgment of the Council its income will warrant.

(i) In respect of the Budget for The Episcopal Church, the Executive Council shall have the power to consider and vote to make such adjustments therein, or additions thereto, as it shall deem to be necessary or expedient, and which, in its judgment, available funds and anticipated income will warrant subject to such restrictions as may be imposed by the General Convention. It shall also have power to approve other initiatives proposed by the Chair or otherwise considered by Council, in consultation with the Chair of the Joint Standing Committee on Program, Budget and Finance, between meetings of the General Convention, as in the judgment of the Council are prudent and which the Church revenues will be adequate to support.

(j) Each Diocese shall annually report to the Executive Council such financial and other information pertaining to the state of the Church in the Diocese as may be required in a form authorized by Executive Council.

(k) Each Diocese shall report annually to the Executive Council the name and address of each new congregation, and of each congregation closed or removed by reason of any of the following: dissolution of the congregation;

1. removal of the congregation to another Diocese due to cession or retrocession of geographic territory in which the congregation is located, pursuant to Articles V.6 or VI.2 of the Constitution;

2. removal of the congregation to a new physical location or address, identifying both the location or address from which the congregation has removed, and the successor location or address; and

3. merger of the congregation into one or more other congregations, in which case, the Diocese shall include in its report the names of all congregations involved in the merger, and the physical location and address at which the merged congregations shall be located.

Sec. 7 (a) Every Missionary Bishop or, in case of a vacancy, the Bishop in charge of the jurisdiction, receiving aid from the General Convention Budget, shall report at the close of each fiscal year to the Council, giving account of work performed, of money received from all sources and disbursed for all purposes, and of the state of the Church in the jurisdiction at the date of such report, all in such form as the Council may prescribe.

(b) The Ecclesiastical Authority of every Diocese receiving aid from the General Convention Budget shall report at the close of each fiscal year to the Council, giving account of the work in the diocese supported in whole or in part by that aid.

Sec. 8. The Council, as soon as practicable after the close of each fiscal year, shall cause to be prepared and publish a full report of the work of the Executive Council, the Domestic and Foreign Missionary Society, and the General Convention Office to the Church. Such report shall contain an itemized statement of all receipts and disbursements and a statement of all trust funds and other property of The Domestic and Foreign Missionary Society, and of all other trust funds and property in its possession or under its oversight responsibility. The report shall include a detailed schedule of the salaries paid to all officers and principal employees of the Domestic and Foreign Missionary Society and the Executive Council.

Citation: General Convention, *Journal of the General Convention of...The Episcopal Church, Salt Lake City, 2015* (New York: General Convention, 2015), pp. 463-466.



Resolution Number: 2012-A122
Title: Review Financial Oversight and Budgeting
Legislative Action Taken: Concurred
Final Text:

Resolved, That the 77th General Convention direct the Standing Commission on the Structure of the Church to review, and recommend revisions to, Canons and the Joint Rules of Order regarding the financial oversight and budgeting processes of the Domestic and Foreign Missionary Society and The Episcopal Church.

Citation: General Convention, *Journal of the General Convention of...The Episcopal Church, Indianapolis, 2012* (New York: General Convention, 2012), p. 318.



Resolution Number: 2009-A005
Title: Conduct an Analysis of the Church's Budgeting Process
Legislative Action Taken: Concurred as Amended
Final Text:

Resolved, That the 76th General Convention of The Episcopal Church requests Program, Budget and Finance to consider an amount not to exceed \$50,000 for the Standing Commission on the Structure of the Church in conjunction with the Standing Commission on Constitution and Canons to conduct a professional comprehensive analysis of the budgeting process and budget of The Episcopal Church during the Triennium 2010-2012, paying particular attention to the relationship between the General Convention (and its officers and committees), the Executive Council (and its officers and committees), the Presiding Bishop and the staff of The Episcopal Church; and be it further

Resolved, That the study address any conflicts and ambiguities among the Canons, Joint Rules of Order, Executive Council and Domestic and Foreign Missionary Society Bylaws and actual practice with the goal of eliminating these conflicts and ambiguities so that the roles and functions of various bodies and offices regarding the creation, adoption, revision, oversight and all other aspects of the budgeting process and budget are clear; and be it further

Resolved, That the Standing Commission on Structure offer a report on the analysis with appropriate recommendations and any proposed changes to the Constitution and Canons of The Episcopal Church, the Joint Rules of Order and the Bylaws of Executive Council and the Domestic and Foreign Missionary Society to the 77th General Convention for its consideration and action.

Citation: General Convention, *Journal of the General Convention of...The Episcopal Church, Anaheim, 2009* (New York: General Convention, 2009), pp. 389-390.